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FEDERAL COMMUNICATIONS COMMISSION
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In the Matter of the)
)
2000 Biennial Regulatory Review --)
Streamlining and Other Revisions of Part 25 of)
the Commission's Rules Governing the Licensing)
of, and Spectrum Usage by, Satellite Network)
Earth Stations and Space Stations)

IB Docket No. 00-248;
DA 00-435

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**COMMENTS OF MOTIENT SERVICES INC.**

Motient Services Inc. ("Motient") hereby comments on the Commission's Notice of Proposed Rulemaking ("NPRM") in the above-captioned proceeding.¹ Motient applauds the Commission's efforts to streamline its space and earth station licensing procedures. As discussed below, however, Motient is concerned that the Commission's proposal regarding renewal of mobile earth terminal ("MET") licenses may defeat the flexibility of a blanket licensing regime.

Background

Motient. Motient is the entity authorized by the Commission in 1989 to construct, launch, and operate a U.S. MSS system in the L-band.² The first Motient satellite was launched in 1995, and Motient began offering service in 1996, representing an investment of over \$600 million in private funding. Today, Motient offers a full range of land, maritime, and aeronautical

¹See 2000 Biennial Regulatory Review – Streamlining and Other Revisions of Part 25 of the Commission's Rules Governing the Licensing of, and Spectrum Usage by, Satellite Network Earth Stations and Space Stations, *Notice of Proposed Rulemaking*, IB Docket No. 00-248 (rel. December 14, 2000) ("NPRM").

²Memorandum Opinion, Order and Authorization, 4 FCC Rcd 6041 (1989); Final Decision on Remand, 7 FCC Rcd 266 (1992); *aff'd sub nom. Aeronautical Radio, Inc. v. FCC*, 983, F.2d 275 (D.C. Cir. 1993).

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mobile satellite services, including voice and data, throughout the contiguous United States, Alaska, Hawaii, the Virgin Islands, and coastal areas up to 200 miles offshore.³

In addition to its space station license, Motient currently holds two blanket MET licenses. With these blanket licenses, Motient is able to offer voice and data services to customers using its authorized METs.

The Commission's NPRM. On December 14, 2000, the Commission released the above-captioned NPRM. In the NPRM, the Commission proposes to streamline its licensing procedures applicable to space and earth stations. Among other things, the Commission proposes to relax the construction completion requirement for METs. NPRM at ¶ 46. Currently, the Commission requires all earth station licensees, including MET licensees, to complete construction of their authorized earth stations within one year of grant. 47 C.F.R. § 25.133(a). Recognizing that this rule does not serve any policy goal with respect to MET licensees, the Commission proposes to require only that a MET licensee bring its network of METs into operation within one year of license grant. NPRM at ¶ 46. The Commission also proposes to amend its rule regarding renewal of MET licenses. Specifically, the Commission proposes that if a MET licensee has not brought all of its METs into operation at the time of renewal, the Commission will renew the license only for those earth stations that have been brought into operation at the time of renewal. NPRM at ¶ 46.

³In March 2001, Motient applied to the Commission to assign its licenses and authorizations to Mobile Satellite Ventures Subsidiary LLC ("MSV"), a new company that will be jointly owned by Motient; TMI Communications and Company, Limited Partnership ("TMI"), the operator of the Canadian-licensed MSS system; and a group of new investors. In addition to owning and operating Motient's first generation MSS system, MSV will launch and operate a next generation MSS system. See File No. SAT-ASG-20010302-00017, et al. (March 2, 2001).

Discussion

I. THE COMMISSION SHOULD ELIMINATE THE ONE-YEAR CONSTRUCTION DEADLINE FOR METS

Motient supports the Commission's proposal to eliminate the requirement that a MET licensee construct all of its authorized METs within a year after the grant of its license. As the Commission notes, its policy goal of utilizing resources efficiently would be served if a licensee merely constructs a reasonable number of METs and starts to offer service within a year after licensee grant. NPRM at ¶ 46.

Requiring MET licensees to construct all of their authorized METs within a year after the grant of a license places an unnecessary burden on MET licensees. When applying for a blanket license, a MET applicant usually requests authority for as many terminals as it reasonably anticipates it may need for the succeeding years, in order to have the kind of regulatory certainty that is critical for planning. This also enables the MET applicant to meet consumer demand for additional METs during the term of its blanket license without the need to seek Commission approval for authorization of additional technically identical METs and eliminates the potential for any regulatory delays.

Because many MET applicants seek authority for more terminals than they will use during the first year of a license term, the one-year construction deadline requires licensees to construct more terminals than consumers initially demand, leading to substantial cost during the early stages of operation. The Commission's proposal to require a MET licensee to only "bring into operation" its network of earth stations within a year after license grant will enable a licensee to construct its METs in response to consumer demand, not the Commission's construction deadlines.

II. THE COMMISSION SHOULD PERMIT RENEWAL OF MET LICENSES TO INCLUDE ALL INITIALLY LICENSED METS

Motient does not support the Commission's proposal to renew a MET license only for those METs that have been brought into operation at the time of renewal. NPRM at ¶ 46. In the NPRM, the Commission fails to explain what purpose such a limited renewal would serve. The foundation of the Commission's blanket license program is the flexibility it provides to the licensee to deploy thousands of technically identical earth stations without the need to obtain individual regulatory approvals.⁴ This policy substantially reduces administrative costs and regulatory delays that would otherwise be associated with licensing thousands of individual earth stations. Limiting renewals to only those METs in operation at the time of renewal would defeat this purpose by requiring a MET licensee to seek another authorization for additional METs needed to meet consumer demand after renewal. Such a renewal policy would restrict the flexibility of a blanket licensing regime.

⁴See, e.g., Amendment of Parts 2, 22 and 25 of the Commission's Rules to Allocate Spectrum for, and to Establish Other Rules and Policies Pertaining to the Use of Radio Frequencies in a Land Mobile Satellite Service for the Provision of Various Common Carrier Services, *Second Report and Order*, 2 FCC Rcd 485, ¶ 31 (January 26, 1987) ("Issuing individual licenses for potentially thousands of units would be costly and burdensome.").

Conclusion

Therefore, based on the foregoing, Motient urges the Commission to act in a manner consistent with the views expressed in these Comments.

Respectfully submitted,

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